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Interface Dynamics in Cause-Based Partnerships: An Exploration of Emergent Culture

Barbara Parker
Seattle University
John W. Selsky
University of Melbourne

This article examines the behavioral dynamics at the interface between organizations in strategic partnerships called cause-based partnerships (CBPs). These are partnerships between a corporation and one or more nonprofit organizations that address social metaproblems such as environmental sustainability or social-justice challenges. Various a priori differences such as tasks, processes, and organizational cultures are expected to affect outcomes, but this article argues that a key determinant of successful CBP performance is behavioral dynamics at the interface between the partners. This article builds a framework for understanding these behavioral dynamics in terms of an emergent culture. Three scenarios—integration, reculturation, and separation—are described for how participants in CBPs continually negotiate a workable set of cultural practices among themselves. Examples are based on interviews with CBP managers. These explorations expand the basis for understanding CBP dynamics beyond those provided by static task, process, or common-culture explanations.

Keywords: collaboration; business/nonprofit partnerships; intercultural issues

Among today’s managerial challenges is a growing need to collaborate with other organizations. Collaborative activities take many forms, but little was known about them until their numbers and importance began to grow in the 1980s (Gray, 1989). Whereas the 1980s witnessed an explosion in business-to-business partnerships (see Barkema, Shenkar, Vermeulen, & Bell, 1997; Shenkar & Li, 1999), the 1990s fostered an “unprecedented surge in interest and activity between firms” and nonprofits (Crane, 2000, p. 163). These collaborations, especially ones involving the natural environment, are often

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described (see Bendell, 2000; Lober, 1997; Murphy & Bendell, 1997), but the dynamics of them are underexplored (Crane, 2000).

In an emerging global society, relationships among private for-profit, public-governmental, and nonprofit organizations (NPOs) are changing rapidly, as both internal pressures and external demands intensify in all sectors. New organizational forms are being created to embody these new relationships, and one class of such arrangements is cause-based partnerships (CBPs) between one or more business and NPOs. CBPs are cross-sector partnerships that simultaneously respond to the discourse and values of civil society and address organizational needs. Related terms are social partnerships (Waddock, 1991), intersectoral partnerships (Waddell & Brown, 1997), issues management alliances (Austrom & Lad, 1989), and cross-sector collaborations (Austin, 2000b). CBPs organize to alleviate a social problem (e.g., poverty, environmental degradation, social injustices) or fulfill a social need (e.g., Special Olympics) for which management exceeds the scope of any single organization (Chevalier, 1966; Waddock, 1991; Westley & Vredenburg, 1991).

Research has yet to focus much attention on the distinctive character or dynamics of CBPs (Parker, 2000) even though the number of these relationships has grown (Berger, Cunningham, & Drumwright, 1999; Crane, 2000) and is expected to increase (Elkington & Fennell, 2000). Scholars argue that cross-sector alliances are a social imperative and a key trend (Austin, 2000b; Kanter, 1998; Korten, 1998; Waddock & Smith, 2000). Major businesses and nonprofits such as General Motors, McDonald’s, the World Wide Fund for Nature, and Greenpeace also believe that cross-sector partnerships will grow in number (Elkington & Fennell, 2000).

All working partnerships involve complex mixtures of factors—demographic, task, process, and cultural—that each partner brings to the initial encounter. These factors manifest in routine working relationships between employees of partner organizations, but different expressions of them can create mismatches at the working interface (Wilkof, Brown, & Selsky, 1995). Some researchers have tried to explain such mismatches by positing that partners bring different preferences and practices for managing tasks and processes to a partnership or by identifying that the partners have different cultures (Brannen & Salk, 2000; Vaara, 2000; Wilkof et al., 1995). These kinds of explanations are helpful, but they tend to explore only the surface of interactions. It is important to explore the underlying cultural dynamics of interaction as the partners’ employees construct their relationship over time, because these dynamics are also key determinants of the successful performance of CBPs and, indeed, of all partnerships (Hardy, Phillips, & Lawrence, 1998).

Intercultural dynamics have been examined for mergers and acquisitions and for strategic alliances within the for-profit and nonprofit sectors. However, research on the intercultural dynamics of cross-sector partnerships is quite limited (see Bendell, 2000; Crane, 2000; Sagawa & Segal, 2000). The main purpose of this article is to contribute to conceptual and practical understandings of the intercultural dynamics of CBPs.
We proceed first by situating CBPs in the literatures of three fields: collaboration, international joint ventures (IJVs), and the nonprofit sector. A tendency in these literatures is to analyze mismatches between CBP partners using an *a-priori-differences* perspective. However, we argue that factors such as trust, power, and cultural emergence arise at the partnership interface after the CBP is implemented. These can be analyzed using an alternative, *emergent-culture* perspective to understand CBPs. We then present scenarios of three prototypical interface dynamics using exemplar CBPs drawn from interviews and secondary sources. We conclude with implications for practice and future research.

**THE SOURCES AND PRACTICE OF CBPS**

Collaboration is defined as “a temporary social arrangement in which two or more social actors work together toward a single common end requiring the transmutation of materials, ideas, and/or social relations to achieve that end” (Roberts & Bradley, 1991, p. 212). The partners intend to retain organizational autonomy while joining forces with one or more other organizations to achieve shared goals. The tensions between autonomy and allying lead some authors to discuss the “ambiguity and complexity inherent in collaborative structures” (Huxham & Vangen, 2000, p. 777; see also Gomes-Casseres, 1996).

Why do businesses and NPOs collaborate on social causes? The literature suggests that, in general, collaboration can offer new ways for organizations to acquire expertise and access to other needed resources (Faulkner & de Rond, 2000; Gomes-Casseres, 1996; Trist, 1983), cope with increased turbulence in their environments (Emery & Trist, 1965; Gray, 1985), anticipate potential problems, or learn how to transform themselves for an uncertain future (Roberts & Bradley, 1991). Business-NPO collaborations appear to be responding to growing demands for nonprofits and businesses to address social metaproblems too complex or protracted to be resolved by actors within a single sector. These “messy and intractable” (Parker, 2000, p. 10; Waddock, 1991) metaproblems tend to spill beyond the problem-solving and management boundaries of single organizations and also beyond the ambit of established cross-sector forms, for example, public-private partnerships.

Organizations in both sectors face external pressures to address social challenges as partners. Many nonprofits have been encouraged to become more business-like in response to funders’ demands. On the other hand, businesses are enjoined to be more socially responsible; there are growing demands that they be held more accountable for social and environmental problems (Rodgers, 2000) and engage in the resolution of them (Waddock & Smith, 2000). Porter and Kramer (2002) suggested that the potential for simultaneous economic and social benefits draws businesses into strategically targeted involvements with nonprofits (see also Austin, 2000b).
Attempts to address social causes through cross-sector partnerships bring corporations and nonprofits into complex relationships with each other. Because of the complexity of social metaproblems, CBPs are likely to come about for a variety of reasons and in a variety of ways. CBPs are project-oriented and require sustained, direct interaction among the partners to create benefits (Googins & Rochlin, 2000). The literature offers a developmental logic, namely, that the interactions may start out as transactional—short-term, constrained, and largely self-interest oriented—but only reach their full potential when they become integrative (Austin, 2000a) or developmental (Googins & Rochlin, 2000), that is, organized around longer term collaborative efforts to address a shared problem/issue that serves both self and social interests. In the interactionist perspective outlined below, we question this logic by suggesting that both transactional and integrative can be effective. In any case, both kinds of CBPs go beyond more standard corporate philanthropy in which the two sectors relate at arm’s length mediated by a funding relationship (Googins & Rochlin, 2000; Porter & Kramer, 2002). Hence, we follow Austin (2000a, p. 2) in distinguishing CBPs from other cross-sector partnerships by their “central strategic importance” for both parties.

CBPs often create tensions that must be reconciled if partners are to achieve their individual and shared objectives. The messy nature of complex social metaproblems pushes each organization in a CBP into activities that are beyond its traditional areas of competence. The diverse participants brought together by the partnership can create conflicting demands on it (Brown, 1991). Participants may become stressed when they are encouraged simultaneously to build interorganizational linkages and protect organizational autonomy (Lawrence & Hardy, 1999). Unsurprisingly, Waddock and Post (1995) observed both cooperative and competitive behavior among participants in catalytic alliances of individuals and organizations who collaborate to achieve a jointly defined social end. Neither competition nor conflict are inherently dysfunctional (see Gomes-Casseres, 1996) and can be expected in mixed-motive systems such as CBPs. In this article, we explore how participants routinely address tensions and conflicts.

THE STANDARD PERSPECTIVE ON CBP MISMATCHES: A PRIORI DIFFERENCES

Because of the fuzzy boundaries of social metaproblems, the distinctiveness of CBPs is not captured well in prevailing concepts of alliances and partnerships. For example, resource dependency, strategic choice, and narrow transaction cost economics seek to explain intrasectoral arrangements between organizations such as joint ventures using a logic of complementary resources and narrowly circumscribed exchange. More recent, institutional transaction cost economics (Barringer & Harrison, 2000; Powell, 1990) recognizes network forms of organization as alternatives to markets and hierar-
chies for producing a good or service but still does not adequately capture the symbolic aspects of CBPs such as the societal surplus of meaning (Hatch, 1993) attached to activities such as saving whales or literacy tutoring for marginalized members of societies.

Much of collaboration theory and IJV theory tend to view organizations as unitary actors and hence use the single organization as the unit of analysis (Gray & Wood, 1991; Westley & Vredenburg, 1997). For partnerships, this means that one organization would act symbiotically with or competitively against another (Abrahamson & Fombrun, 1994; Gomes-Casseres, 1996). Moreover, researchers in the IJV and collaboration fields tend to analyze partnerships at least initially in terms of characteristics that each partner brings to them (Saxton, 1997) such as demographics, capabilities, and cultures. Focusing on a priori characteristics leads to the view that problems in a partnership arise in part from incompatibilities, or mismatches, between the partners. Several authors have attempted to enumerate these mismatches (see Huxham & Vangen, 2000; Sink, 1991). Table 1 summarizes and adapts them for CBPs for those unfamiliar with points of sectoral contrast.

Researchers have tended to make sense of these mismatches in two main ways: by focusing on demographic, task, and process differences and by focusing on cultural differences.

DEMOGRAPHIC, TASK, AND PROCESS DIFFERENCES

In the first approach, researchers diagnose problems in terms of preexisting demographic, task, or process differences between the partners. Examples of demographic differences are size (e.g., number of employees) or market scope. An example of task-based differences is that one partner organizes tasks hierarchically using a top-down reporting mechanism, whereas the other partner uses extensive task delegation and operates by consensus. The latter partner could feel constrained by excessive hierarchy, but the former might find consensus decision making too time consuming and fluid. Examples of process-based differences are misaligned accounting methods or information systems.

This approach is useful in highlighting potential sources of problems but is limited because its main focus is on surface differences that manifest in task or process misalignments without delving into more fundamental reasons for problems. This kind of approach also may divert attention from what occurs between partners as they interact.

CULTURAL DIFFERENCES: THE COMMON-CULTURE APPROACH

In the second approach, researchers explore more than surface differences and diagnose cultural differences as the reason for problems between partners. An example is Wilkof et al.’s (1995) case study of operational conflicts between two companies in a strategic alliance. As a consultant, Wilkof’s failed
Table 1. A Priori Sectoral Differences in Cause-Based Partnerships (CBPs)

<table>
<thead>
<tr>
<th>Category</th>
<th>Differences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goals and strategy</td>
<td>Partner missions are likely to differ. Traditional understandings are that nonprofit organizations (NPOs) are social value driven and businesses are profit driven (Googins &amp; Rochlin, 2000; Lewis, 1998). The mix of commercial and social objectives in a CBP can challenge each partner’s sectorally grounded priorities. For example, Waddell (1999) described a Boston inner-city community/banking project in which traditional assumptions of each partner short-circuited the intended collaboration.</td>
</tr>
<tr>
<td>Identity and language</td>
<td>Both businesses and NPOs guard their autonomy and identity (Brown, 1991; Janger, 1980) to maintain relevance and legitimacy for the stakeholders each serves. Identity differences can manifest in many ways, such as language used. When nonprofit employees use words like governance, they may be talking about something far more “intense, personal, and immediate” (Billis, 1993, p. 325) than when used in the business world. Terms such as accountability, return on investments, headquarters/local relationships, and even definitions of clients or users often have different meanings in the two sectors. Language differences reflect identity differences that challenge partners if each assumes they are using words in the same ways.</td>
</tr>
<tr>
<td>Market/social values orientation and expected payoffs</td>
<td>Social and financial pressures on each sector can blur the traditional distinction between the value-driven nonprofit and the profit-driven business. Self-interest for both partners is a clear motivator for CBP participation (Waddock, 1991; Westley &amp; Vredenburg, 1997), but the nature of these interests and hence the partner’s desired payoffs may differ. For example, one partner may seek a short-term reputational payoff from its participation, whereas the other may hope to learn from its partner and collaborate over the long term. Thus, CBPs can offer common benefits that accrue to all participants and private benefits that accrue to one or a subset of participants (Khanna, 1998; Parkhe, 2000). Findings in the international joint venture and collaboration literatures suggest that mismatches occur when partners cannot or do not articulate partnership motives clearly (Gray, 1989; Parkhe, 1991).</td>
</tr>
<tr>
<td>Management complexity and stakeholder relations</td>
<td>A common impression is that, as compared to businesses, nonprofits lack direction or policy, have difficulty making clear decisions, and do not engage in systematic planning (Rowbottom &amp; Billis, 1987). Conversely, Salamon and Anheier (1998) argued that nonprofit management is more complex than business management, because nonprofits usually have multiple funding streams, each of which may carry unique commitments and requirements. Although businesses may set different goals for various products or service lines, it is generally understood that profitability is essential. These differences may affect the way stakeholders are managed, for example, who is identified as a stakeholder, the priority allocated to various stakeholders, and responsiveness to them.</td>
</tr>
<tr>
<td>Employees</td>
<td>In smaller NPOs, work often is accomplished with few paid employees and many volunteers who share the social mission and have aligned values. In general, NPOs tend to attract people who want to make a difference. In contrast, businesses typically employ people more driven by instrumental goals such as earnings. Employees in each sector also tend to differ in educational background; businesses tend to hire employees with prior for-profit experience or education, but nonprofits less frequently draw from this pool. These differences between employees often are embedded in reward, retention, and other human resource policies.</td>
</tr>
</tbody>
</table>
| Resources                             | The two sectors differ significantly in the sources, kinds, and amount of resources they are able to mobilize with the business sector generally better resourced than the nonprofit sector. The business sector’s ability to generate its own income gives it relatively more control (continued)
efforts to gain the partners’ commitment to process and task changes led her to realize that a deeper problem of cultural difference underlay the operational conflicts. This can be called a common-culture approach and is used extensively in the literature on the cultural aspects of mergers, acquisitions, and joint ventures.

This approach argues that mismatches occur because partners bring different cultures to their relationship that they are unable to reconcile. The typical prescription is that the partners need to develop a common culture to fulfill their shared objectives in the venture, for example, by selecting systems and practices from each (e.g., an accounting system from one partner and a human resource system from the other) or by imposing one organization’s systems and practices on the venture. The common-culture approach assumes that each partner brings a unitary, main culture to the relationship; the two monolithic cultures come into contact when a partnership is formed (Brannen & Salk, 2000). The common-culture approach implies a unitary definition of culture as shared values and symbols, which “give meaning to actions and behaviors and provide interpretations of situations” (Wilkof et al., 1995, p. 375).

The common-culture approach to understanding partnerships has been critiqued for being static (Brannen & Salk, 2000), because it freezes a partnership at its starting point. It also neglects the constructed nature of culture and cultural practices (Brannen & Salk, 2000; Vaara, 2000; Weisinger & Salipante, 2000) and does not acknowledge the emergence of new intercultural expressions over time. In practice, a common-culture approach can be prematurely prescriptive by enjoining managers of CBPs to forge a common culture out of the cultural practices that each partner brings to the table at the start of a partnership. This can lead those managers to avoid CBPs altogether or to ignore or downplay what emerges after the participants start interacting.

AN ALTERNATIVE PERSPECTIVE: EMERGENT CULTURE

Perspectives based on a priori differences can downplay important issues affecting the success of CBPs and other interorganizational collaborations that lie between the partners, not within either partner (see Gomes-Casseres, 1996). To redress that deficiency, we adopt a different, interactionist perspec-
The premise is that the essential character of CBPs derives from the partners agreeing to take up some social issue or cause that has fallen through the cracks of prevailing institutional arrangements (Parker, 2000; Selsky, 1998a). The new issue/cause activates a set of relationships among interested organizations (Trist, 1983). The meaning of the CBP is constructed by interactions between employees from those organizations who work on the project.

An interactionist perspective leads to understanding partnerships and their mismatches/matches in terms of emergent culture. Brown’s (1983) work on cultural interfaces helps to demonstrate how an emergent culture is constructed in a CBP. Like other partnerships, a CBP constitutes a distinctive social action system, because “continued interactions between interdependent social units produce interfaces that are social units themselves” (Brown, 1983, p. 19). The meaning of a CBP is socially constructed in this action system through the medium of culture (Boisot, 1986) and is experienced intersubjectively. That is, boundary-spanning employees of the partner organizations negotiate the meaning of the partnership over time by working out the boundaries and rules of this new space (see Hirschhorn & Gilmore, 1992) such as what roles project workers take on, how they negotiate operational issues as they arise, and how they jointly develop routines for tasks and processes (Brannen & Salk, 2000; Olk & Earley, 2000; Selsky, 1998b). The partnership is essentially a network of ongoing interactions, not a structural relation between two monolithic cultures.

An important difference between a common-culture and an emergent-culture approach lies in how they treat differences that emerge between partners. The former approach views them as deviations from the original agreement, that is, problems that require resolution from the top. In contrast, the emergent-culture approach highlights the active, negotiating work of boundary-spanning employees who manage the partnership, serve on task forces and committees that implement the partnership’s project, and deal with issues as they come up over time.

An emergent-culture approach to understanding CBPs implies an interactionist definition of culture as “historically situated and emergent, shifting and incomplete meanings and practices generated in webs of agency and power” (Ong, 1987, as cited in Brannen & Salk, 2000, p. 455). Hence, negotiated practices rather than shared values lie at the core of an emergent culture. It is the process of negotiation that helps them transcend a priori differences.

TRUST AND POWER

Bachmann (2001) identified trust and power as alternative mechanisms for coordinating interorganizational relationships such as partnerships, with trust carrying a positive and emotionally laden connotation and power carrying a negative and emotionally neutral connotation. Dynamics around trust are part of the normative context of any partnership including CBPs. However, trust can mean different things and operate differently in the corporate
and nonprofit sectors. In general terms, trust in business traditionally is based on contractual exchanges that can be short-term and constrained. In contrast, trust in the nonprofit sector is traditionally based on solidarity with the mission, or social issue, or on shared values. Recent research on the bases of social capital has complicated these generalizations somewhat (Adler, 2001; Putnam, 2000).

In the literature on interorganizational relations, trust is often viewed as an input to a relationship or as an output. As a relational input (Hardy et al., 1998), trust can emerge from an organization’s institutionalized position within a larger community or as the byproduct of other social interactions where trust has already been demonstrated (Ring & Van de Ven, 1994). Trust also can also be the result, or output, of partner interactions (Lewicki & Bunker, 1995; Putnam, 2000).

Das and Teng (2001) distinguished two dimensions of trust. Competence trust is “the expectation of technically competent role performance” (Barber, 1983, as cited in Das & Teng, 2001, p. 256) and concerns a partner’s abilities. Goodwill trust is an expectation of nonopportunistic behavior and concerns a partner’s intentions. Both dimensions are deemed to be important in joint ventures, and we argue that this applies to CBPs.

In the common-culture approach, trust is a key aspect of the structural relation between two social entities (Bachmann, 2001; Das & Teng, 2001). It is usually viewed as predictability or the probability one actor assigns to another’s likely competent and nonopportunistic actions (Hardy et al., 1998). Thus, competence trust in this approach anchors the task relationship between the partners at the beginning. Goodwill trust in this approach is viewed as an input to a partnership, as it can strongly affect how the partners interact from the beginning of their joint venture. For example, top decision makers may enter the relationship in an open, cooperative spirit with an expectation of win-win collaboration (Larson, 1992); joint ventures on new products are commonly cited examples of what Fox (1974) called high-trust contexts. Alternatively, decision makers may go into the venture with the notion of a tentative, circumscribed exchange relation and an attitude of wariness toward the partner; first-time purchasing contracts between two firms are common examples of low-trust contexts (Fox, 1974). CBPs could fall into either category depending on whether a priori mismatches are identified at the beginning of the venture and how they are dealt with in initial negotiations.

An emergent-culture approach forces a rethinking of the role of trust. If a partnership is viewed as an ongoing interaction network rather than just as a structural relation between two social entities, then trust may be viewed as both an input and an emergent, collective process of that network (Lewis & Weigert, 1985). The collective process relies on shared communication and sense making (Das & Teng, 2001; Hardy et al., 1998; Lewicki & Bunker, 1995). In this approach, it is recognized that all partnership requirements cannot be prespecified and that issues will emerge that require negotiation. Initial conditions of trust that set the tone for the ways the partners interact initially are still
important, but it is recognized that those conditions are likely to be overtaken by events and issues as they arise and are negotiated by the people working on the partnership project. Boundary spanners will continually adjust their sense of trust (both competence and goodwill) depending on how issues get handled. For example, goodwill trust can evolve from task-based (e.g., how project deadlines are determined) and process-based (e.g., how conflicts are addressed) interactions among the partners’ employees. That action-based trust then has implications for their subsequent interactions. A normative context of goodwill-based, high trust tends toward solidarity between the partners; low trust tends toward mutual adjustment and compromise; and distrust tends to divide or polarize the partners (Lewis & Weigert, 1985). Trust adjusts to action; it is not a reified entity.

Discussions of power in CBPs are rare. In the a-priori-differences perspective, resources and capabilities that each partner brings to a venture are examined, and these provide an estimate of the structural power balance at the commencement of the partnership. Large power imbalances are viewed as problematic, and shifts in the partnership’s power balance, such as attempts by one partner to redress a preexisting power imbalance, are seen to lead to instability (see Shenkar & Yan, 2002). This may occur if external pressures force unwilling or apathetic organizations into a CBP thereby creating resentments or withholding of best efforts. For example, operational disruptions from members of Rainforest Action effectively forced Home Depot into a partnership with the Forest Stewardship Council (Carlton, 2000). Similarly, the survival of resource-strapped NPOs may depend on currying favor of well-resourced corporations through partnerships. High-power asymmetry may lead partners into political or opportunistic behavior that can serve one or both partner’s interests at the expense of partnership performance (Shenkar & Yan, 2002).

An emergent-culture approach examines how the partnership’s power balance shifts over time in response to changing internal conditions or changing external forces. In a critique of the collaboration literature, Hardy and Phillips (1998) called for a refocusing away from collaboration itself and toward an appreciation of different “strategies of engagement” that acknowledge power in partnerships. Of relevance here is their distinction between collaboration and compliance:

Collaboration is . . . a mutual engagement strategy in which all partners voluntarily participate. Compliance, on the other hand, is a very different form of cooperation, where power is neither shared nor is participation, strictly speaking, voluntary. Instead . . . the dominant partner uses its power to regulate weaker parties which have no choice but to cooperate. (Hardy & Phillips, 1998, p. 224)

A partnership’s power balance may be estimated by observing who has control over its resources, decision agendas, and discourses over time.
such as how different resources or capabilities become more or less valuable as the project evolves, which partner makes which strategic and operational decisions, and who defines or controls the meaning of the project.

Thus, trust and power that develop at the interface can strongly influence how the ongoing negotiation of an emergent culture will occur. Levels of goodwill and competence trust are continually generated in a CBP, and power balances shift over time. In the emergent-culture approach to understanding CBPs, trust and power dynamics can influence cultural processes between partners, as discussed below.

MODES OF ACCULTURATION

Although the work of boundary-spanning employees overtly relates to tasks and processes, it also involves negotiations over cultural sense making, which is a “quest for cultural identity” (Vaara, 2000, p. 86) that attempts to distinguish us from them. Brannen and Salk (2000) examined how cultural sense making occurred in a case study of a new Japanese-German joint venture. The authors found that the two national groups of managers continually negotiated cultural outcomes around specific emergent issues. They concluded that “organizational culture . . . evolves as a dynamic, ongoing, and changing subtotal of interpersonal negotiations around organizational issues” (Brannen & Salk, 2000, p. 479) as they come up during the course of the partnership.

The most promising framework for understanding cultural negotiations comes from Nahavandi and Malekzadeh (1988). These authors outlined four acculturation modes—integration, assimilation, deculturation, and separation—to describe the cultural dimension of acquisitions in the corporate sector. The middle column of Table 2 provides a brief description of each mode.

Wilkof et al. (1995) used this framework to facilitate understanding of cultural mismatches in the troubled strategic alliance mentioned above, and we adapt it in two ways to help understand interface dynamics in CBPs. First, it is necessary that both partners be accorded equal standing; Nahavandi and Malekzadeh (1988) took the perspective of the acquiring firm and assessed how the acquired firm might respond culturally toward it. Based on our adaptation for partnership contexts, we interpret the acculturation modes as follows (see Table 2, right column): Integration occurs when partners blend aspects of their home cultures into the CBP project. Separation occurs when cultural tensions between the partners are unable to be addressed satisfactorily and at least one partner seeks cultural autonomy within the partnership. Assimilation, following Nahavandi and Malekzadeh, occurs when one partner willingly relinquishes its culture and adopts cultural practices of the other partner. Later in the article, we discuss why it is necessary to broaden this description to embrace a particular concern of nonprofit managers in CBPs today. Deculturation occurs when members of one or both partner organizations do not value their own culture(s) and do not want to be assimilated into
Table 2. Acculturation Modes in Merger Versus Partnership Contexts

<table>
<thead>
<tr>
<th>Acculturation Mode</th>
<th>Description in Acquisition Contexts</th>
<th>Description in Partnership Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integration</td>
<td>“members of the acquired firm want to preserve their own culture and identity and want to remain autonomous and independent”; “the flow of cultural elements is balanced because neither group tries to dominate the other”</td>
<td>Members of each partner organization want to preserve their own culture and identity and want to remain autonomous; balanced flow of cultural elements because neither partner wants to dominate the other</td>
</tr>
<tr>
<td>Assimilation</td>
<td>“members of the acquired firm willingly relinquish their culture . . . and they adopt the culture and systems of the acquirer”</td>
<td>Members of one partner organization willingly relinquish their culture and adopt the culture and systems of the other; generally not relevant in cause-based partnership (CBP) contexts (variation: creeping assimilation of more dependent partner; may be relevant in CBP contexts)</td>
</tr>
<tr>
<td>Separation</td>
<td>“members of the acquired organization want to preserve their culture . . . and they refuse to become assimilated with the acquirer in any way”; “attempting to preserve one’s culture . . . by remaining separate and independent from the dominant group”</td>
<td>Members of one or both partner organizations want to preserve their culture(s) and refuse to become assimilated into the other; they conflict over cultural practices in the partnership project and are unable to resolve the conflicts</td>
</tr>
<tr>
<td>Deculturation</td>
<td>“members of the acquired company do not value their own culture . . . and they do not want to be assimilated into the acquiring company. . . . The acquired company is likely to disintegrate as a cultural entity”; “losing cultural . . . contact with both one’s group and the other group”</td>
<td>Members of one or both partner organizations do not value their own culture(s), and they do not want to be assimilated into either partner’s culture; disintegration of one or both partner cultures; generally not relevant in CBP contexts</td>
</tr>
<tr>
<td>Reculturation</td>
<td>not discussed</td>
<td>Members of both partner organizations want and act to invent/construct new cultural practices in the partnership that differ from cultural practices of either partner</td>
</tr>
</tbody>
</table>

a. Taken from Nahavandi and Malekzadeh (1988, pp. 82-83).

either partner’s culture. This mode is not generally relevant in CBP contexts, because the partners retain their autonomy. However, a new mode, not discussed in the original framework, becomes possible: Members of the partner organizations may innovate new cultural practices that differ from those of
either partner to guide their interactions in the CBP project. We call this reculturation and discuss it in detail below.

Second, it is necessary that the acculturation modes be used in a dynamic way. Nahavandi and Malekzadeh (1988) argued that their framework is dynamic, but they did not recognize participants’ ongoing negotiation of cultural practices in the new action space. When participants perform such negotiation, the possible outcomes resemble scenarios. We outline three likely ones for CBPs below.

Clearly, trust and power balances are important influences on which acculturation modes operate and emerge in CBPs given that resource-poor NPOs and resource-rich corporations are often attempting to address social issues together. For example, an NPO’s fear of losing autonomy or identity in the partnership may over time incline it toward a defensive cultural separation from its corporate partner. However, it is important to recognize that the categories outlined above apply to cultural processes, not directly to operational or governance processes. For clarity, we use the term termination to signify the formal ending of a CBP and separation to signify a partner’s move toward cultural autonomy in an existing CBP. The implications are discussed later in this article.

METHOD

This study is part of a larger, open-ended program of inquiry into CBPs. For this article, three CBP cases were selected from a larger 1999 sample as exemplars that reflect the types of work in which CBPs engaged. Partners from the two sectors engaged in different projects including economic development, job creation, environmental protection and preservation, health care, housing, and education. The three exemplars were supplemented with shorter examples from the larger set and from descriptions of CBPs found in a literature search. The data are cross-sectional and derived from structured interviews conducted with managers on both sides of the exemplary partnerships during 2000. The analysis is case comparative.

PARTNER ACCULTURATION SCENARIOS AND EXAMPLES

We suggest that a distinctive social action system will crystallize at the interface between partners in a CBP in one of three modes of acculturation: integration, reculturation, or separation (see Figure 1). Below we describe each type of interface, sketch a scenario for it, and provide an example of how it played out among participants in an exemplar CBP.
INTEGRATIVE INTERFACE

As they work on their joint initiative, boundary spanners from each organization may develop a harmonious working relationship by integrating elements from the two parent cultures at local sites where the partnership project is enacted. Brannen and Salk (2000) found that “a type of synchronization began to occur” (p. 476) between their two national groups over conflictual issues, and the emergent outcome was often a compromise between the two. Other possibilities included accommodation when one group yields to the cultural practice of the other group or dividing tasks among partners to minimize the need for negotiation. All of these possibilities are harmonizing behaviors and resonate with Nahavandi and Malekzadeh’s (1988) integration mode of acculturation. We suggest that these behaviors could be expected when low trust (but not distrust) operates in the partnership and when the power imbalance is high. Low trust may be the a priori condition between partners with limited experience with each other or with partnerships. Moreover, low trust can persist if power is unbalanced. The power balance can go either way. For example, resource-rich corporations often have greater resources than smaller nonprofits in a CBP, but in a joint issue promotion the nonprofit may have more legitimacy because of long-term identification with the targeted issue (Wymer & Samu, 2003).

Scenario 1: Boundary Spanners Harmonize Cultural Practices at a Partnership Interface

We identified cultural harmonization in partnerships the Boeing Corporation sustains with two job-creation nonprofits in Seattle, AtWork! and the Northwest Center. Both NPOs provide training and develop self-esteem for hard-to-employ people; each functions as a job shop for Boeing in their separate CBPs. Interviews with managers from these three organizations demonstrate characteristics of the harmonized interface. For example, the centrality of compromise is reflected in a nonprofit manager’s statement: “Neither side can expect to get everything they want or like.” Power differentials were evident as well: The nonprofits’ contracts are dependent on market conditions and Boeing’s financial performance. At the same time, the contractual nature of the relationship provides a time-limited buffer for the nonprofits and their clients but increases Boeing’s risk in a sudden downturn. The low-trust condition associated with annual contractual renewal is partially offset by general belief in Boeing’s goodwill. For instance, the Boeing manager noted that the partnerships may be reviewed annually but added that they are ongoing, “hopefully forever.” Both of the nonprofit managers also indicated that their relationship with Boeing was long standing, and both expected it to continue long term.

The nonprofit managers described two main benefits to them from partnering: It helps them achieve their mission of job development, and they are able
to gain “credibility and recognition” as a Boeing supplier. The nonprofits also gain status with their own clients who are glad to say, “I work for Boeing.” The Boeing manager indicated that the company also gets what it needs—that is, quality parts at a reasonable price. Additionally, he noted that these partnerships demonstrate the company’s investment and participation in the community and prove useful in competitions for government contracts.

The interviews revealed that the contracts allow each partner to retain its own cultural values, but the partnership’s managers also borrow practices and even values at the interface that are more traditional to the other’s sectoral culture. The AtWork! manager described the challenge of gaining certification as a Boeing supplier and noted that she manages both a financial bottom line dictated by market conditions and an emotional bottom line of client need. This suggests she has retained not-for-profit values while also endorsing values (and language) from the for-profit sector. The Boeing manager noted that it was important to find work to benefit both Boeing and nonprofit clients, but he said he faced a continual need to educate Boeing employees about why these partnerships are valuable. These findings suggest that managers on both sides of these partnerships have taken on new challenges at the interface (e.g., certification, educating Boeing employees as to need) while retaining primary focus on their own goals—namely, job creation and profitability. At the same time, each partner values the other’s goals and educates about them in their own workplaces. Negotiations over tasks and processes occur during annual contract reviews that yield explicit results. Thus, negotiation of the partnership arises in part from the contractual relationship that specifies each party’s responsibilities, but implicit understandings (such as the unlimited time horizon mentioned above) guide the ongoing negotiation of the partnerships as well. Cultural practices also have been renegotiated over time. For example, AtWork!’s manager indicated that a now-recognized challenge at the business/nonprofit interface is that they speak “different languages.” This recognition has led to constant checking and “a handful of employees involved in the communication process with Boeing.” This suggests that relationships in CBPs may develop more readily when more than one employee spans the partnership boundary. Compromise also occurred between the two sets of partners, although power differentials meant that the nonprofits made most of the concessions by yielding to the cultural practices of their business partner. Subsequent to contract negotiation, the partners divided many but not all tasks and thus minimized the need for ongoing and explicit negotiation until the next contract review. Nevertheless, frequent meetings enhanced implicit cultural understandings at the interface.

The visual representation of the blended integrative interface in Figure 1a illustrates that, although some features of the emergent CBP culture spill over into the parent cultures, most activities occur within the CBP interface. In the case of the Boeing partnerships, spillover may be contained by annual contracts.
Another way for boundary spanners to negotiate the cultural interface in a CBP is to transform it by innovating new cultural practices (Brannen & Salk, 2000) and codifying new meaning through norms, symbols, and procedures (Boisot, 1986). We call this newly identified acculturation mode reculturation in the sense that boundary spanners reculturate the distinctive space that forms between the partners as they work on the social cause. One participant described the City Year/Timberland CBP as follows: “We are us and they are them and we are together us, too” (Austin, 2000a, p. 75). We take this to illustrate that a novel cultural entity emerged at the interface. We might call this new entity an interculture that draws on elements in each organization’s culture but is different from either of them (Selsky, 1998b). It is a distinct cultural grouping (Sackman, 1991) grounded in a new intersubjective reality that emerges from interaction (Weick, 1995).

In the reculturative scenario, each partner becomes willing to invent new cultural practices within the CBP, and neither is committed to preserving all its own cultural practices nor interested in adopting wholesale the other’s cultural practices. This scenario might arise when neither partner perceives the other to be powerful or dominant enough to overwhelm it as the interculture emerges. Additionally, it suggests high-trust relations, or goodwill, with each trusting the other to let the new culture develop and to forbear when missteps occur.

Several conditions appear conducive to the formation of an interculture such as when boundary spanners experience fragmented home cultures. Fragmented is used in Martin’s (1992) sense of ambiguous, shifting, and equivocal and is associated with limited cultural consensus within an organization (Crane, 2000). In addition, a sense of deculturation would loosen boundary spanners’ attachments to home cultures thereby enabling the formation of an interculture. Finally, an interculture might more easily form if a parent organization hires newcomers rather than seasoned insiders to work on the partner-
ship project. For example, Starbucks decided to hire externally for a new position created to manage environmental partnership relations. This boundary spanner would not be well socialized in Starbucks’s strong internal culture thus providing him latitude to develop new cultural practices tailored to the projects.

Scenario 2: Boundary Spanners Construct or Innovate an Interculture at a Partnership Interface

The Seattle-based FareStart (FS)/Consolidated Restaurant (CR) partnership developed its own cultural dynamics even while both home cultures remained intact. FS is a nonprofit that aims to transform the lives of homeless and disadvantaged people via job training for the restaurant industry. A main training vehicle is the FS restaurant where clients learn how to cook, clean, wait, and otherwise staff a restaurant. When FS began to explore a corporate partnership, they targeted the restaurant industry because of fit around common interests and challenges. An initial effort to attract partners occurred when the FS chef made presentations to chefs in the for-profit sector.

CR operates a number of for-profit restaurants in Seattle. CR had earlier been involved in many forms of charitable giving as well as in another partnership that was largely philanthropic. However, CR’s public relations firm believed that a partnership with one nonprofit was preferable to giving small amounts of money and expertise to many nonprofits. CR became aware of FS for two reasons. First, FS had generated local interest by inviting well-known guest chefs to cook for the restaurant on a given evening. The individual chefs donated their skills, funds were raised for FS, and media attention and public support followed. Second, FS’s presentation to CR chefs had wowed them and helped CR management recognize that their own chefs wanted community involvement. Chef comments also created a favorable view of FS. CR managers later said they liked the FS people because they were committed and passionate.

The partnership began with an exploration of shared interests rather than with a tangible project. FS was looking for win/win opportunities that could provide them with technical assistance and job placement for clients. CR wanted to put more strategic shape around their charitable giving, accommodate their chefs’ interests, and gain access to the well-trained staff that FS produced. A key factor for the CBP was that both partners were in the same industry, so managers found it easy to talk about common challenges and opportunities each faced. Each also was willing to experiment with a joint project.

Goodwill trust appeared crucial in the development of this CBP. It was based on positive press about FS as well as CR chef interest. Competence trust developed for FS, according to one interviewee, when managers engaged in “upfront partner discussions with everything on the table.” These exchanges clarified opportunities and limitations of the partnership. For example, FS
does not guarantee that their clients will take jobs with CR alone. These exchanges also provided a bulwark when problems occurred. For example, when FS’s director stepped down, CR managers were not pleased to learn this from a newspaper article. Open communication channels enabled each side to recover and served to develop further goodwill.

In this partnership, both home cultures were strong but neither appeared to dominate—nor wanted to. High trust and cooperation were evident from the outset, and power differences were kept low despite resource differences. For example, CR shared their professional expertise with FS but let FS know that part of their motivation was for staff development of CR people. In this respect, CR strove to balance power in the partnership by acknowledging its own gains. These factors allowed a distinctive new culture to develop. As compared to the Boeing exemplar where trust depended largely on a contract, the trust that developed between CR and FS was based more on goodwill and active efforts to maintain a power balance.

Ideas generated in frequent discussions between the managers spilled back into the parent cultures. For example, CR had held an enjoyable annual “Manhattan Classic” event to rate the best Manhattan cocktail in town. The event took on new meaning when CR refocused it as a fundraiser for FS. The resulting media attention created public support for both CR and FS. CR also learned that their chefs were creating goodwill by touting the CR partnership to buyers and suppliers. Thus, each parent culture learned from engaging in the CBP while creating a new culture that was entrepreneurial in different ways than either had been separately. This is demonstrated in Figure 1b where cultural energy flows both from and to the CBP.

SEPARATION INTERFACE

In some CBPs interface dynamics can become dysfunctional over time, foster conflict, and even lead to the termination of a partnership. Dysfunctional dynamics can occur for several reasons. A partnership may begin from a personal or emotional connection between top managers. Problems can occur if an initiating leader then delegates activities to people who do not share the same connection. Another reason is the loss of a key member in the middle of a project, which could trigger confusion or disinterest that allows the partnership to drift or even wither away. Also, political game playing or point scoring between partners could disrupt a project’s performance to such an extent that the partnership fails (Shenkar & Yan, 2002). Partnerships may terminate for reasons other than dysfunctionality such as when original objectives are satisfied and partners see no reason to develop new joint projects. An example from our larger sample is a Seattle-based CBP that formed to combat urban decay; the partnership was disbanded when a jointly developed shopping center was completed. Gomes-Casseres (1996) also intimated that cultural separation could be a mechanism for harboring, protecting, or deploying the distinctive capabilities of each partner in a joint venture.
These reasons have effects on acculturation. In situations of dysfunction, boundary-spanning employees may be unable to harmonize elements of parent cultures in the course of their normal working relationships, and they may be prevented from evolving a distinctive interculture by strong cultural sanctions from their employing organizations. Consequently, they may get stuck and fall into what Huxham and Vangen (2000) called “collaborative inertia.” In the absence of other alternatives, this could mean that their cultural frames of reference become polarized and they drift into discord with their interactions limited to exchanges of differing points of view (Waddell & Brown, 1997; Wilkof et al., 1995). The social action system would crystallize at the interface in a normative context of distrust with patterns of behavior that participants see as destructive and threatening to the viability of the partnership. This is consistent with Nahavandi and Malekzadeh’s (1988) separation mode of acculturation and might be expected when the power imbalance leads to conflictual interactions or when participants are unable to keep the project from drifting or withering. Obviously, when a partnership terminates because of fulfillment of its objectives, cultural separation can be said to occur and is not problematic. Figure 1c illustrates that in the separation scenario the interface can empty out and no longer connect the parent cultures.

Scenario 3: Boundary Spanners Polarize Cultural Practices at a Partnership Interface

An example of a separation interface occurred in a multipartner wetlands preservation initiative called the Corporation Conservation Council (CCC). Members included corporate leaders like Dow, Dupont, Duke Power, and Exxon as well as the large nonprofit National Wildlife Foundation (NWF). Jay Hair, NWF’s President and CEO and founding member of the CCC, described the partnership as an effort to protect wetlands and also as a mechanism for mutual respect to develop between businesses and environmental nonprofits. He said that collaboration with business provided “a better way to do it than fight.” Partners initially had to “search hard for the common ground and take baby steps at first.” Hair’s statements suggest there was little input trust at the start of the partnership. According to Hair, it was difficult to progress, taking 3 to 4 years for the partnership to “really perk.” Once it was functioning, results included an annual press-free conference in which CEOs invited guests and peers for a daylong talk about environmental issues and company approaches to them. Hair also noted that wetlands protection management began to be written into corporate guidelines and policies. These activities show that reculturation was occurring at the interface. Sufficient goodwill trust developed to yield positive results, but we speculate that these partnership outcomes may have come earlier had there been greater input trust.

The wreck of the Exxon Valdez in 1989 altered the trajectory of this promising CBP. Hair recalled his own and NWF’s dissatisfaction with Exxon’s response to the disaster and the decision to file a $1 billion lawsuit against
Exxon. According to Hair, NWF used this suit to demonstrate that “CCC membership buys you nothing.” Exxon resigned from the CCC, and when Hair left NWF, the nonprofit did not long continue with the CCC. This example shows polarization at the interface that involved the CBP’s top management as well as the parent organizations.

Another example of separation from the literature is Westley and Vredenburg’s (1991) description of a cultural mismatch in the collaboration between Canadian supermarket giant Loblaws and national NGO Pollution Probe on green consumer products. Loblaws had offered a joint product endorsement to Pollution Probe as a take-it-or-leave-it proposition. Friction escalated when Pollution Probe asked Loblaws for chemical analysis of products they were endorsing. The collaboration exploded following press reports of Greenpeace Canada’s criticisms, and the budding CBP dissolved.

**DISCUSSION**

The main dimensions of our argument are summarized in Table 3. They suggest a contingent approach to designing cultural interfaces in CBPs. Harmonized integrative cultural forms may be most appropriate for CBPs that are principally transactional. These consist of mutually beneficial activities such as cause-related marketing, event sponsorships, and contractual service arrangements (Austin, 2000a). The Boeing partnerships with AtWork! and Northwest Center are examples. Partnerships that have clear transactional features can be organized around guidelines and timelines, and responsibili-

### Table 3. Negotiated Culture in Cause-Based Partnerships

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Acculturation Mode</th>
<th>Interface Dynamics</th>
<th>Likely Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Boundary spanners harmonize cultural practices at a partnership interface.</td>
<td>Integration</td>
<td>Harmonized cultures</td>
<td>Gains at the interface include advancement of the social cause and each organization’s objectives; both gain experience</td>
</tr>
<tr>
<td>2. Boundary spanners construct or innovate an interculture at a partnership interface.</td>
<td>Reculturation</td>
<td>Interculture</td>
<td>Gains at the interface include those for integration cultures; learning also enhances parent cultures</td>
</tr>
<tr>
<td>3. Boundary spanners polarize cultural constructions at a partnership interface.</td>
<td>Separation</td>
<td>Polarized cultures</td>
<td>Polarization emerges to disrupt achievement of some or all organizational and/or social-cause objectives</td>
</tr>
</tbody>
</table>

a. Taken from Nahavandi and Malekzadeh (1988).
ties can be clearly designated and measured. At least for large organizations, these kinds of projects can be added or subtracted from either partner’s activities without significantly affecting existing systems.

The Boeing CBPs demonstrate that these kinds of partnerships can remain transactional over a long period and that interpersonal trust between managers may develop through multiple interactions involving multiple players. Ultimately, however, the annual contract is the tangible basis of the partnership and the source of competence trust. Well-defined contractual relationships are familiar and legitimate for most managers, and clear guidelines and an exit clause moderate risk for each partner and reduce power imbalances. For an organization that wants to preserve its own culture—or one that fears co-optation—a transactional partnership may be a useful way to begin exploring CBPs.

Reculturative partnerships that create an interculture, such as the FS/CR CBP, are likely to be more complex to manage than harmonized interfaces, because the most important aspects of the agreement are unwritten and emerge from experience. The social cause has vague parameters that develop over time, interdependence is higher, and the intended outcomes of meetings and projects cannot be as well specified as for transactional partnerships. Reculturative CBPs are also complex because they affect existing systems and they can stimulate double-loop learning that is difficult to measure or specify in advance. Sustaining the interculture over time depends on both partners perceiving balance and reciprocity in the relationship (Cropper, 1996). These are the developmental partnerships described by Austin (2000a) in which each partner may distinctly imprint the other’s culture, as in the City Year–Timberland CBP.

An advantage of the reculturative partnership is that learning can lead to new cross-sector relationships. For example, in addition to its partnership with City Year, Timberland also has a product partnership with Share Our Strength and participates in charitable work with several NPOs to build social capital (Austin, 2000a). City Year also has developed partnerships with organizations other than Timberland (Austin, 2000a). Community development NPOs, such as the statewide Institute for Washington’s Future from our larger sample, often engage in a disparate array of partnerships with corporations as part of their core purpose. In turn, multiple cross-sector relationships may reduce reliance on any one partner and in aggregate may help participants sustain a balance of power in any given relationship. They may also lead to many different cultures developing at the various interfaces.

Our study improves our understanding of cultural separation and its connection to partnership terminations. The IJV literature often views instability in partnerships as problematic and termination as failure (see Inkpen & Beamish, 1997; Shenkar & Yan, 2002). However, in CBPs, instability may reflect a shifting power balance that can improve performance of the partnership (Gomes-Casseres, 1996). Similarly, cultural separation can be viewed less as a failure than as one partner’s attempt to preserve its cultural practices.
through self-imposed segregation from a partner (Elsass & Veiga, 1994). This may be especially germane to small nonprofits fearful of being exploited, contaminated, or swamped by a larger corporate partner. The separation that occurred between NWF and Exxon affirmed that the culture of the wetlands CBP could not be bought. The separation mode is characterized by continuing, unresolved acculturative tension (Elsass & Veiga, 1994) that conceivably could be deployed in the service of partner learning and experimentation.

If we stick closely to Nahavandi and Malekzadeh's (1988) characterization (see Table 2), assimilation occurs only when one partner willingly relinquishes its culture and adopts cultural practices of the other partner. Our interviews with nonprofit managers revealed that few would willingly relinquish their own cultures and that they would take steps to retain them. Our interviews and the model suggest that, should the specter of assimilation arise in a CBP, available options are polarizing to promote separation, new contractual provisions to aid integration, or negotiation to realign and reculturate the space between the cultures. These acculturation options may help managers address assimilation fears and make such purposeful cultural assimilation unlikely.

However, many nonprofit managers worry about cultural dominance or project takeover by a large corporate partner after a partnership gets going. A particular concern is that a nonprofit can become vulnerable when a joint project becomes closely identified with a dominant corporate partner. A nonprofit may enter into a CBP with the expectation that it will be able to handle any potential difficulties, but over time the revenues and the expectations of the corporate partner shift the focus and culture of the nonprofit. Nonprofits dependent on partner-generated revenues may have no easy exit strategy if conflict arises. Its reputation can suffer if the corporate partner then engages in questionable practices, even outside the ambit of the partnership, or the nonprofit may be perceived to be sacrificing its social mission for the sake of maintaining the partnership and its revenue flows (Weisbrod, 1998). These circumstances can lead to lower social support and even to public inquiries. For example, in a series of articles, The Washington Post alleged that the Nature Conservancy had engaged in multimillion dollar deals with companies and executives on their governing board and advisory council. This was followed by U.S. Senate hearings on Nature Conservancy practices (Stephens & Ottaway, 2003). The nonprofit's fear is that it may get pushed into a compliance form of partnership engagement, and it might try to deflect this by setting limits on its financial dependencies at the outset of the partnership or by negotiating specific remedies to protect against worst-case scenarios. Alternatively, corporate managers, recognizing nonprofit fears of assimilation, could build goodwill trust by working with their partners to confront and address these fears up front.

Thus, the original characterization of this acculturation mode may need to be broadened to include situations of creeping assimilation of the nonprofit by the corporate partner. Collaboration may drift into compliance if power be-
comes too one-sided over time because of resource asymmetries or other forms of dominance. Assimilation may play a role in CBP acculturation, which could not be anticipated from Nahavandi and Malekzadeh’s (1988) work on mergers and acquisitions. Fear of creeping assimilation is a concern for nonprofit managers, and further research is needed to explore it.

IMPLICATIONS

Our exploration of cultural interface scenarios in CBPs yields four implications. First, our use of exemplars calls attention to how partners negotiate culture at CBP interfaces and how cultural interfaces might unfold over time. The three scenarios present a variety of conditions related to trust and power as well as structural features under which a particular intercultural state might emerge. It is not yet clear what might emerge when conditions are mixed. For instance, a form of assimilation may occur if a nonprofit is compelled to yield to a more powerful corporate partner to keep a CBP going, as was intimated in the Boeing/AtWork! Partnership, or if employees of the corporate partner are drawn into the nonprofit’s core cause over time and come to adopt its cultural values. Hybrid forms, in which partnerships evolve through different acculturation modes over time, may also be possible. A transactional partnership may evolve into a reculturative partnership if the partners expect to keep renewing their contract and if they give themselves opportunities to experiment with the project. However, viewing the transactional CBP through an emergent-culture lens allowed us to see that that kind of partnership can still be viable over the long term even if it does not evolve into a reculturative CBP. In sum, CBPs can have complex trajectories that include lumps and bumps not easily shown in graphics representing each scenario, such as in Figure 1.

Second, we identified that interface dynamics in CBPs are constructed primarily through ongoing negotiation between the boundary-spanning employees working on CBP projects. Brannen and Salk (2000) argued that findings from their IJV case study “make it difficult to predict the path of negotiated [cultural] outcomes” (p. 480). The emergent-culture approach to CBPs calls attention to the often-mundane ways in which individuals somehow manage to work out preexisting mismatches, emerging operational problems, and cultural conflicts. Of course, they do not always do so successfully. It is in these mundane ways that the emergent meaning of the CBP is negotiated. Managers engaging in cross-sector partnership projects, as well as scholars studying them, need to take this emergent meaning into account as well as the trust and power dynamics that evolve along with that meaning.

Third, we drew out some of the ways that trust and power are created and evolve between partners who have different sectoral values (albeit the same partnership objective). Most important, we discovered that in CBPs trust and power can unfold in different ways in reculturative as opposed to integrative partnerships. Competence trust is important in both types of partnerships, but goodwill trust may be more important in the former than in the latter. One
example is the reculturative FS/CR CBP where high initial (input) trust was based on favorable press and internal buzz from each partner’s employees. Subsequent interactions between the partners validated and extended that trust. A second example, an integrative CBP from our larger sample, shows past success as a source of competence trust; Seattle-based land developers were able to collaborate with nonprofits on many senior housing projects because of their track record for obtaining federal funding. A third example, used to illustrate separation, is the wetlands CBP. There was little trust at the outset of the partnership. Jay Hair indicated that the NWF staff was nervous about partnering with business, fearing that this unfamiliar kind of activity could tarnish their reputation or bring about criticism or pressure from other environmental groups. Goodwill trust (NWF’s belief that the corporate partners would not betray them) and competence trust (evidence of wetlands protection being taken seriously by the corporations) emerged and intersected as the partnership unfolded. However, goodwill trust eroded quickly following a critical event. Had NWF been a smaller or more dependent organization, power imbalances might have forced it to remain as an unwilling and distrustful partner with Exxon in an increasingly difficult relationship thereby pushing it into a compliance engagement. The evolution of trust in this separation exemplar illustrates why an emergent-culture approach is useful: It makes sense of how initial conditions of trust (or in this case distrust) and initial distributions of power can be overtaken by emergent issues and interactions. Although we have examined some of the dynamics of trust and power in CBPs, much more research on these important topics is needed to understand them adequately.

Fourth, the emergent-culture approach to CBPs encourages us to rethink stakeholder relationships and corporate philanthropy. When a CBP commences, an organization that previously may have been a stakeholder of another organization becomes its partner. Standard stakeholder theory advises that an organization’s external stakeholders be managed strategically to fulfill, its own objectives (Frooman, 1999). An authentic social partnership between a corporation and a nonprofit may require the managers of each to reconfigure external relationships, because the partners move from arms-length management of each other to an embrace that is strategically important for each—and for both. An example of arms-length management is targeted strategic philanthropy on the part of corporations. This is now considered (in the corporate sector, at least) best practice with tight control over donations so that they support the corporate goals (see Porter & Kramer, 2002). CBPs attempt to take a leap beyond traditional or strategic philanthropy and aim to reduce dependency and encourage more power balance. In a CBP, the partners are able to affect each other culturally as they affect the social cause. Hence, an emergent-culture approach to CBPs encourages us to reconsider what we think we know intuitively about cross-sector partnerships.

Implications for those involved in CBPs—managers, boundary-spanning employees, and consultants—based on the scenarios include the following:
• Although a priori differences contribute to CBP outcomes, the ways that boundary spanners interact at the interface also are important to CBP success. This suggests that some of the major work for CBP managers comes after the partnership is established.

• CBPs may be easier to manage if partners discuss and negotiate the type of interface that each seeks. It is important that each partner periodically weigh potential gains as well as potential risks from CBPs. A role for consultants might be helping boundary-spanning groups or managers to establish shared-value frameworks to guide their routine interactions (Selsky, 1998b).

• Managers of existing CBPs may refer to the scenarios for diagnosis and action planning. Articulating preferences—for example, to create a harmonized interface, stimulate an interculture, slow down reculturation at an interface to exert parental culture control, arrest a brewing polarization, assert nonprofit identity, and so forth—may help to clarify courses of action. Cultural consciousness raising and appeals to superordinate goals would be consistent with harmonizing at an interface, joint training and team building would be conducive to reculturing an interface, and surfacing and aligning values could help loosen up a polarized interface (Selsky, 1998b; Wilkof et al., 1995).

CONCLUSION

Collaboration is a complex social form and process that involves multiple and protracted reciprocal interactions between organizations (Huxham & Vangen, 2000; Roberts & Bradley, 1991). The general context for collaboration today is that corporations are enjoined to be more socially responsible, governments are stretched between conflicting demands of providing more services and becoming leaner and less intrusive, and nonprofits are pressured to be more business like. Sectoral blurring at the interface between the business and nonprofit worlds opens up space for new things to happen, and innovations such as CBPs become more likely. This space is inhabited by boundary-spanning employees who need to shape it in such a way that they can address pressing social metaproblems effectively. This article has discussed how they might and do shape the space culturally, and it has also shown that CBPs can be contested terrain for assertions of the norms and preferred practices of the partners.

We see several areas for future research. First, our focus on dynamics internal to the CBP needs to be complemented with research on its external dynamics such as how the partners mobilize the interests of stakeholders of the social cause. Second, space limitations prevented us from exploring the implications of power and conflict in CBP engagements such as who benefits and who is disadvantaged as power balances shift over time. Under what conditions might each partner or even both partners benefit from certain strategies of
engagement at the expense of the social cause—or vice versa? Third, with cross-sector partnerships growing, it becomes important to look at the skills required of people who manage at the interface. Aside from Waddock and Post (1991), few have explored this opportunity. Fourth, systematic exploration of the three scenarios on a larger sample of CBPs and their development into testable propositions is warranted, as is longitudinal research on how CBPs evolve. Concentrating on a sample of CBPs concerned with a single issue such as environmental preservation or job creation may be especially beneficial. Lastly and more generally, further study is needed into where and how intrasector and cross-sector partnerships are similar and different with respect to interface dynamics. For example, to what extent do the scenarios apply to other kinds of partnerships? The acculturation framework has not been used extensively to study the intercultural aspects of partnerships. Our study of CBPs may be useful as an entré for future research on the application of the acculturation framework to alliances and partnerships. These research directions would contribute to what we believe is a more grounded perspective on partnership interface dynamics based on emergent culture.

Appendix

Cause-Based Partnership Interview Schedule

PAST

1. Can you give us a short history of the partnership?
2. What were some of the reasons you first considered a partnership with a business (non-profit)? Had you been similarly involved across sectors with other organizations on prior occasions?
3. Was there a first meeting to discuss a partnership? Who called the meeting? Who was there? Where was it held?
4. Was there a particular person involved? Who was it? Can you describe roles, reasons, and so forth?
5. What would you say are main reasons for engaging in the partnership?
6. Were there any tax incentives? What are they?
7. When you communicated with board members or others external to the organization, how did you describe reasons for joining a partnership across sectors? Do you have press releases or letters to the board or annual reports that describe what you were doing?
8. What did you and others perceive to be the initial organizational benefits?
9. Were there also perceived benefits for you or other employees from the partnership?
10. When did you become involved?
11. What did you see as initial challenges in a partnership? Are they the same now?

PRESENT

12. How do you think this partnership benefits or challenges the organization?
13. Does the partnership challenge or benefit your career path or those of other employees?
14. What kind of accounting system do you use for partnership activities; is it dollar accounting or more a comparison of revenues to expenses?
15. Is there a time frame for the partnership? How long?
16. How does the partnership function? Are there teams or individuals working on the various pieces of the partnership? Who does what, when, and how?
17. Is there any written document outlining the partnership? Can we have a copy?
18. What is the source of needed resources in terms of operating budgets?
19. What background and/or training do you have; what about others directly working on the project? Any grant writing and/or accounting backgrounds?
20. What activities are underway to realize partnership objectives? Can you describe who does what?
21. What role (if any) does the Internet play in the partnership? Do you use it for e-mail, a Web site, and so forth?
22. How much time do you devote to work on the partnership? How much time does the CEO/executive director devote? What is the total organizational person hours per month?
23. Has the partnership generated any tensions or conflict? How have you addressed them?
24. What have been some reactions of (shareholders/donors) to this partnership?

FUTURE

25. What outcomes does your organization seek from the partnership?
26. What would you say have been main forms of benefit from the partnership? Main sources of challenges?
27. What is next with your present partner?
28. Under what circumstances would you engage in another partnership?
29. What is next for your organization in terms of partnerships?

Note

1. We use nonprofit as an umbrella term to cover organizations such as not-for-profits, non-governmental organizations, charitable groups, and others that operate separate from business and governmental sectors, usually to address social challenges that are not addressed or insufficiently addressed by business or government.

References


Dynamics in Cause-Based Partnerships


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Barbara Parker is a professor of management at the Albers School of Business and Economics, Seattle University, United States, where she teaches international management and globalization. She is the author of numerous articles and three books—two on globalization. Studies of the latter show that global opportunities produce social expectations that can be managed partially via cross-sector partnerships.

John W. Selsky is a senior lecturer in management at the University of Melbourne, Australia. He has been interested in nonprofit management issues since his doctoral research on nonprofit federations at the University of Pennsylvania in the 1980s. He also publishes on issues of collaborative strategy and highly turbulent organizational environments.